

AMENDED IN SENATE MARCH 26, 2004

**SENATE BILL**

**No. 1137**

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**Introduced by Senator Burton**

January 20, 2004

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An act to amend Section 22200 of the Education Code, relating to state teachers' retirement.

LEGISLATIVE COUNSEL'S DIGEST

SB 1137, as amended, Burton. Teachers' Retirement System: retirement board.

Existing law, the Teachers' Retirement Law, provides for the election, ~~as of January 1, 2004,~~ of 3 members of the Teachers' Retirement Board, at elections conducted by the board. ~~One of those members is to be elected by specified active members of the Defined Benefit Program of the State Teachers' Retirement Plan.~~ Existing law also provides for the appointment, ~~as of January 1, 2004,~~ to the board of either a retired member of the Defined Benefit Program or a retired participant of the Cash Balance Benefit Program of the State Teachers' Retirement Plan.

This bill would, as of January 1, 2006, provide that the appointed retired member of the board shall instead be elected by the retired members of the Defined Benefit Program, retired participants of the Cash Balance Benefit Program, and members who are receiving a disability allowance, as specified, ~~and provide that the member of the board elected by the specified active members of the Defined Benefit Program shall also be elected by specified active participants of the Cash Balance Benefit Program.~~ The bill would also clarify that a member of the system employed to perform creditable service for more ~~than one employer may only be elected to the position on the board that~~

corresponds to the position in which he or she accrued the most service credit during the prior school year and make related technical changes.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1    ~~SECTION 1. Section 22200 of the Education Code is~~  
2    ~~amended to read:~~

3    ~~22200. (a) The plan and the system are administered by the~~  
4    ~~Teachers' Retirement Board. On and after January 1, 2006, the~~  
5    ~~members of the board are as follows:~~

6    ~~(1) The Superintendent of Public Instruction.~~

7    ~~(2) The Controller.~~

8    ~~(3) The Treasurer.~~

9    ~~(4) The Director of Finance.~~

10    ~~(5) Four persons who are either members of the Defined~~  
11    ~~Benefit Program or participants in the Cash Balance Benefit~~  
12    ~~Program, as follows:~~

13    ~~(A) One person who, at the time of election, is an active~~  
14    ~~member of the Defined Benefit Program or an active participant~~  
15    ~~of the Cash Balance Benefit Program employed by a school district~~  
16    ~~that provides instruction for grades K to 12, inclusive, or a county~~  
17    ~~office of education, in a position other than a school administrator~~  
18    ~~that requires a services credential with a specialization in~~  
19    ~~administrative services. This member shall be elected by the active~~  
20    ~~members of the Defined Benefit Program and active participants~~  
21    ~~of the Cash Balance Benefit Program who are employed by a~~  
22    ~~school district that provides instruction for grades K to 12,~~  
23    ~~inclusive, or county office of education, pursuant to regulations~~  
24    ~~adopted by the board, for a four-year term commencing on January~~  
25    ~~1, 2004.~~

26    ~~(B) One person who, at the time of election, is an active~~  
27    ~~member of the Defined Benefit Program or an active participant~~  
28    ~~of the Cash Balance Benefit Program employed by a school district~~  
29    ~~that provides instruction for grades K to 12, inclusive, or a county~~  
30    ~~office of education. This member shall be elected by the active~~  
31    ~~members of the Defined Benefit Program and active participants~~  
32    ~~of the Cash Balance Benefit Program who are employed by a~~  
33    ~~school district that provides instruction for grades K to 12,~~

1 inclusive, or a county office of education, pursuant to regulations  
2 adopted by the board, for a four-year term commencing on January  
3 1, 2004.

4 (C) One person who, at the time of election, is a community  
5 college instructor and an active member of the Defined Benefit  
6 Program or an active participant of the Cash Balance Benefit  
7 Program employed by a community college district, who shall be  
8 elected by the active community college members of the Defined  
9 Benefit Program and the active community college participants of  
10 the Cash Balance Benefit Program, pursuant to regulations  
11 adopted by the board, for a four-year term commencing on January  
12 1, 2004.

13 (D) One person who, at the time of the election is a retired  
14 member of the Defined Benefit Program, a member of the Defined  
15 Benefit Program receiving a disability allowance, or a participant  
16 receiving an annuity under the Cash Balance Benefit Program.  
17 This member shall be elected by the retired members of the  
18 Defined Benefit Program, the members of the Defined Benefit  
19 Program receiving a disability allowance, and the participants  
20 receiving an annuity under the Cash Balance Benefit Program,  
21 pursuant to regulations adopted by the board, for a four-year term  
22 commencing on January 1, 2006.

23 (6) Four persons appointed by the Governor for a term of four  
24 years, subject to confirmation by the Senate, as follows:

25 (A) One person who, at the time of appointment, is a member  
26 of the governing board of a school district or a community college  
27 district.

28 (B) Three persons representing the public, whose terms shall be  
29 staggered by varying the first terms of these members, as follows:

30 (i) One person to a term expiring December 31, 2005.

31 (ii) One person to a term expiring December 31, 2006.

32 (iii) One person to a term expiring December 31, 2007.

33 (b) A person who is employed to perform creditable service by  
34 a community college district and either a school district that  
35 provides instruction for kindergarten through grade 12 or a county  
36 office of education may only be elected to the position on the board  
37 that corresponds to the position in which they accrued the most  
38 service credit during the prior school year.

39 (c) The members of the board shall annually elect a chairperson  
40 and vice chairperson.

1     SECTION 1. *Section 22200 of the Education Code is*  
2     *amended to read:*

3     22200. (a) The plan and the system are administered by the  
4     Teachers' Retirement Board. On and after January 1, ~~2004~~ 2006,  
5     the members of the board are as follows:

6     (1) The Superintendent of Public Instruction.

7     (2) The Controller.

8     (3) The Treasurer.

9     (4) The Director of Finance.

10    (5) ~~Three~~ Four persons who are either members of the Defined  
11    Benefit Program or participants in the Cash Balance Benefit  
12    Program, as follows:

13    (A) One person who, at the time of election, is an active  
14    member of the Defined Benefit Program or an active participant  
15    of the Cash Balance Benefit Program employed by a school district  
16    that provides instruction for grades K to 12, inclusive, or a county  
17    office of education, in a position other than a school administrator  
18    that requires a services credential with a specialization in  
19    administrative services. This member shall be elected by the active  
20    members of the Defined Benefit Program and active participants  
21    of the Cash Balance Benefit Program who are employed by a  
22    school district that provides instruction for grades K to 12,  
23    inclusive, or county office of education, pursuant to regulations  
24    adopted by the board, for a four-year term commencing on January  
25    1, 2004.

26    (B) One person who, at the time of election, is an active  
27    member of the Defined Benefit Program or an active participant  
28    of the Cash Balance Benefit Program employed by a school district  
29    that provides instruction for grades K to 12, inclusive, or a county  
30    office ~~of~~ of education. This member shall be elected by the active  
31    members of the Defined Benefit Program and active participants  
32    of the Cash Balance Benefit Program who are employed by a  
33    school district that provides instruction for grades K to 12,  
34    inclusive, or a county office of education, pursuant to regulations  
35    adopted by the board, for a four-year term commencing on January  
36    1, 2004.

37    (C) One person who, at the time of election, is a community  
38    college instructor and an active member of the Defined Benefit  
39    Program or an active participant of the Cash Balance Benefit  
40    Program employed by a community college district, who shall be

1 elected by the active community college members of the Defined  
2 Benefit Program and the active community college participants of  
3 the Cash Balance Benefit Program, pursuant to regulations  
4 adopted by the board, for a four-year term commencing on January  
5 1, 2004.

6 *(D) One person who, at the time of the election, is a retired*  
7 *member of the Defined Benefit Program, a member of the Defined*  
8 *Benefit Program receiving a disability allowance, or a participant*  
9 *receiving an annuity under the Cash Balance Benefit Program.*  
10 *This member shall be elected by the retired members of the Defined*  
11 *Benefit Program, the members of the Defined Benefit Program*  
12 *receiving a disability allowance, and the participants receiving an*  
13 *annuity under the Cash Balance Benefit Program, pursuant to*  
14 *regulations adopted by the board, for a four-year term*  
15 *commencing on January 1, 2006.*

16 (6) ~~Five~~ Four persons appointed by the Governor for a term of  
17 four years, subject to confirmation by the Senate, as follows:

18 (A) One person who, at the time of appointment, is a member  
19 of the governing board of a school district or a community college  
20 district.

21 ~~(B) One person who is either a retired member under this part~~  
22 ~~or a retired participant under Part 14 (commencing with Section~~  
23 ~~26000).~~

24 ~~(C)~~ Three persons representing the public, whose terms shall be  
25 staggered by varying the first terms of these members, as follows:

26 (i) One person to a term expiring December 31, 2005.

27 (ii) One person to a term expiring December 31, 2006.

28 (iii) One person to a term expiring December 31, 2007.

29 (b) A person who is employed to perform creditable service by  
30 a community college district and either a school district that  
31 provides instruction for ~~kindergarten through grade~~ *grades K to*  
32 *12, inclusive*, or a county office of education may only be elected  
33 to the position on the board that corresponds to the position in  
34 which they accrued the most service credit during the prior school  
35 year.

36 (c) The members of the board shall annually elect a chairperson  
37 and vice chairperson.

38 SEC. 2. The term of the person appointed on January 1, 2004,  
39 to serve on the Teachers' Retirement Board pursuant to  
40 subparagraph (B) of paragraph (6) of subdivision (a) of Section

1 22200 of the Education Code and the term of the first of the three  
2 persons appointed on January 1, 2004, to serve on the Teachers'  
3 Retirement Board pursuant to subparagraph (C) of paragraph (6)  
4 of subdivision (a) of Section 22200 of the Education Code shall  
5 expire on December 31, 2005.

6 SEC. 3. Section 1 of this act shall become operative on  
7 January 1, 2006.

